

Monthly Newspaper Column - Governor Ernie Fletcher

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"New arena good economics for all Kentucky"

Our founding fathers came up with the motto "United We Stand, Divided We Fall" when they founded our state more than 200 years ago.

During that time we've seen how division has held our commonwealth back from making real progress in improving Kentucky.

For years our state has been embroiled in squabbles over regional differences, a "what's mine is mine" mentality that has stymied our economic progress compared to other border states.

It's time to move our state forward -- united. One idea to accomplish that goal is the proposed construction of a new arena in downtown Louisville.

Critics of the proposed arena have taken a short-sighted view, saying the cost is too great and will take away a "piece of the pie" in other parts of the commonwealth.

What those critics don't realize is the long-term economic benefit it will generate not only for Louisville, but Paducah, Pikeville and all points between.

In other cities and states where arenas similar to the one we're proposing for Louisville have been built, those arenas have acted as an economic center for other businesses to develop.

An example is the MCI Arena in Washington, D.C., which opened in 1997. Five years later, more than \$1.2 billion of investments have been generated through new hotels, retail shops and restaurants being built around MCI Arena.

More than 15-thousand new jobs were created because of MCI Arena, and the city collected 54 million dollars a year in new taxes.

By 2007, MCI Arena will have created \$4.4 billion worth of investments in Washington, leading to more than 34,000 jobs and \$141 million in local taxes annually. This is new money that will allow their local government to do new projects and make improvements to existing programs.

While the economic benefits for Louisville and the commonwealth can not be accurately predicted, the impact a new arena can have could lead to better salaries for teachers in Elliott County, improvements in health care in Warren County and better roads in Madison County.

My administration has committed \$75 million to the arena's total price tag of \$299 million. That may sound high, but keep in mind that our share will not come at the expense of other items in the budget. The economic development is projected to actually increase the available funds for education, health care and infrastructure for building Kentucky.

No programs will be cut or eliminated, and more importantly NO state taxes will be increased to raise money for the arena project.

Other communities in our state are seeing the benefits in their community and for the state in building a new arena.

Recently I got the opportunity to help celebrate the opening of the East Kentucky Exposition Center, a new 7,000 seat arena in Pikeville. This new center is expected to generate half a million dollars annually in new revenue that previously went to arenas in West Virginia and Tennessee. That's money that will now stay in Kentucky.

It has been one of my guideposts that anything is possible in this life, and that we must enlarge our horizons and expect great things from ourselves and from one another. Big plans and big ideas accrue to the benefit of many.

As you hear or read the debate on the arena, please don't think of it as a project for Louisville. It is a project, a vision and a dream for all Kentuckians. A dream that can unite us in moving our great commonwealth forward and end the division that has held us back for far too long.